



**First  
Lowndes  
Bank**

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D. P. Roman

September 19, 2005

Federal Deposit Insurance Corporation  
San Francisco Regional Office  
Director John F. Carter  
25 Jessie Street at Ecker Square – Suite 2300  
San Francisco, CA 94105

Dear Director Carter:

On behalf of our bank and our directors, I strongly encourage you to deny the application by Wal-Mart Stores, Inc. to charter an Industrial Loan Company bank in Utah.

Because of ILC banks more open ownership policy, Wal-Mart has tried to get into the banking business by buying an ILC. The future of the community banking industry could be at stake.

Congress ended Wal-Mart's attempt to buy a unitary thrift in Oklahoma in 1999 by prohibiting commercial companies from owning such a firm. In 2002 California legislators blocked Wal-Mart's acquisition of a state bank by enacting a law preventing non-financial firms from buying ILCs. Recently the California legislature has turned Wal-Mart down again.

Please don't allow Wal-Mart a charter which they can then revise. Their revisions could allow them to be in direct competition with community banks in every town across the country where they have stores. Everyone has seen what Wal-Mart has done to Main Street America.

As the industry becomes more concentrated, do these institutions have the proper risk management, do they have the business contingency plan? With size and complexity goes a challenge both for the managers of the company and the regulators.

Giant banks have enormous public policy implications. The trillion dollar bank that could eventually result from this charter will be Too Big To Fail and will pose a significant risk to the FDIC insurance fund. Evidence shows that increased concentration in the banking industry has not benefited bank customers and has not had a

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positive effect on the convenience and needs of the communities served by the acquired banks.

An example of unbridled economic concentration, it would represent a dangerous and unprecedented concentration of economic power.

Thank you for the opportunity to comment. I hope that you will give careful consideration to this application and to maintain a strong barrier between banking and commerce, keeping a strong community banking complex to serve Main Street America's financial needs.

Yours truly,



Ned T. Ellis  
President & CEO  
First Lowndes Bank